

BROITMAN DECLARATION EXHIBIT 9

sbc's incredible marketing plan

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PRINT



Fleece blankets, popcorn buckets and movie passes featuring "The Incredibles" are part of the communications company's promotions to attract new subscribers.

IT WOULD BE AN UNDERSTATEMENT to say that SBC Communications Inc. isn't known for its marketing prowess. This former Bell telephone company is a generally well-respected, if conservative, company. It's never been the flashy type though.

But a little flash never hurt anyone, especially in these marketing happy days in which "lifestyle advertising" rules, the incumbent telephone companies are going head-to-head in major markets with the cable companies and IP technology is changing everything.

So this old-timer is changing its clothes. Papa's got a brand new bag. And it's in the form of marketing and new technologies.

Of course, SBC announced in late January its intent to buy AT&T, but how that will affect SBC's marketing remains to be seen. For the short term, that effort appears to be focused primarily on the business side.

You may have also heard about the U-verse campaign, which SBC unveiled at the Consumer Electronics Show earlier this year in Las Vegas. U-verse is the umbrella brand under which SBC plans to market all of its consumer-targeted IP-based services including voice, video and data. The company's new 2Wire-based Home Entertainment Service, which melds DSL and DBS technologies, probably will fall under U-verse as well (for more on that service, see February xchange, page 8).

The goal of the U-verse campaign, whose concept came from Interbrand Corp., is to educate residential customers on how SBC is

bringing together portability, entertainment, and all of customers' communications services, says SBC spokesman Wes Warnock. "We're targeting a wide group of people with this — from the young adult market to senior citizens," Warnock says. "We were looking for something that would appeal to a wide group of people."

Rather than promoting specific services, the U-verse bits SBC unveiled at CES appear to be focused more on presenting the "digital lifestyle" by showing attractive images that could appear just as easily in a Ralph Lauren or Target ad than detailing particular services or information.

However, the U-verse campaign was expected to launch last month through Internet banner ads and targeted e-mails to promote the company's new consumer VoIP service. U-verse will launch in a bigger way later this year through additional spots on mediums like television.

Announcing U-verse in his CES speech, SBC Chairman and CEO Ed Whitacre said Project Lightspeed, the company's previously announced \$4 billion initiative to deploy fiber very close to 18 million households across 13 states by the end of 2007, is at the heart of U-verse. Through Project Lightspeed, SBC companies plan to deliver integrated IP-based video, voice, wireless and data services.

"U-verse marks a new beginning for SBC and millions of consumers," said Whitacre.

He added that attending CES, a show that highlights what's new and next in technology, runs a little against SBC culture. "We're not known for getting ahead of our headlights," he said. "When SBC puts a stake in the ground ... you can be sure we'll follow through."

But, U-verse is just part of the plan to capture customer mindset.

SBC also is pushing its brand through joint movie promotions, bundles including gift card and product giveaways, and various other activities. The idea, says Brooks McCorcle, SBC's vice president of consumer marketing, is to position SBC as a leading entertainment company.

"No Capes"

SBC's first major move in this direction was a marketing campaign involving the wildly popular Disney/Pixar movie "The Incredibles."



SBC even branded its prepaid calling cards with images from "The Incredibles." Four versions of these cards feature each one of "The Incredibles" family members.

As part of the initiative, SBC worked with Pixar to develop two animated commercials that promote SBC Yahoo! DSL and SBC|DISH services, and include Incredibles characters. Additionally, SBC wrapped buses with "The Incredibles" theme in about 30 key SBC markets, placed billboards in about 15 cities and is conducting a sweepstakes with a potential \$10 million prize.

The communications company also offered new customers Incredibles-branded products. For example, customers that bought SBC Yahoo! DSL received four movie passes branded "The Incredibles" (the movie characters were featured on a credit-card-sized Utxix movie card, which could be used to attend any movie). New SBC|DISH Network satellite TV buyers were offered plastic Incredibles/SBC popcorn buckets. And new subscribers to SBC's unlimited "All Distance" local and long-distance phone service received a red Incredibles phone, which McCorcle notes is now a hot item on eBay (selling for \$37.69 at press time).

"We're big on music and movies," says McCorcle, adding that SBC's deal with "The Incredibles" gave the company "credibility" in Hollywood. "You'll probably see us do more of this — probably a couple of movies a year," she adds.

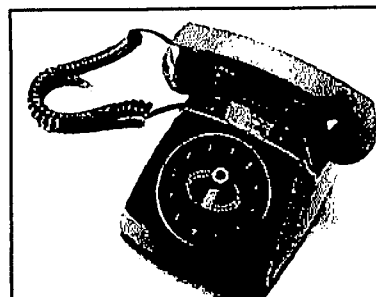
SBC declined to provide details on the company's overall marketing budget or the financials relating to the Disney/Pixar deal in particular, but McCorcle says SBC's investment in "The Incredibles" promotion was "nominal in the [larger] scheme of

things." SBC "defrayed the cost" by selling the bits Pixar made for SBC to others outside the United States, she adds.

Bundle Up

Another key tenet to SBC's marketing strategy is bundles. But it's more than just putting together voice, data, video and maybe wireless services, as many communications companies are doing already. "We're trying to promote the concept of the bundle as the more you buy, the more you get," explains McCorcle.

"The Incredibles" blankets, phones and popcorn buckets were part of that continuing strategy. Other efforts in this vein included SBC's "Build a Bundle, Get a Bundle" promotion, which ran from Dec. 1 through January. Under this effort, customers who bought one SBC service got a \$50 gift card or branded card from Barnes & Noble, Best Buy or another SBC retail partner. The value of the gift card grew as customers added more SBC services. "We want to sell bundles, we don't want to sell just a product," says McCorcle.



SBC recently offered this Incredibles phone to new subscribers of its unlimited "All Distance" local and long-distance phone service. The phone is now a hot item

Just last month, SBC took a slightly different take on the bundling strategy with its "Connect and Collect" promotion. New customers were offered \$50 to buy content or goods including movie downloads, music downloads, Incredibles phones and gift cards.

SBC also is using, or recently has used, other special promotions such as MGM DVD, Harry and David's and golf-package giveaways to help drive additional sales and interest from a variety of audiences.

Reach Out and Touch Someone

Event sponsorship and customer outreach are also a bigger focus for SBC these days. That includes everything from attaching its name to large events like the Olympics to demonstrating its services at football games, shopping malls and festivals.

Mall demos, door-to-door sales and catalogs are also part of SBC's plan of attack.

During the holidays, SBC had some retail areas in malls with people selling products. The company has outsourced a contingent of "hundreds of people" to do door-to-door sales in target areas where competing cable companies have had reasonable

on eBay, recently being offered for \$37.69.

success, according to SBC. The company even arranges meetings with local chambers of commerce in its new DSL markets to demonstrate the service, says Warnock.

bringing it together

SBC is tying together its various products and services into an integrated whole. That message of integration is at the heart of the U-verse campaign.

FastForward

, from Cingular Wireless and SBC companies, is a device that forwards incoming Cingular phone calls to a designated landline phone, while the wireless phone's battery is recharged automatically. The calls forwarded to the landline phone do not count against monthly allotted Cingular minutes.

SBC Unified Communications

combines all messages in one place. Wireline and wireless voice mail, e-mail and faxes all come to the same inbox, where they can be checked by computer or phone.

SBC companies and Yahoo! are extending their alliance to other products, **giving a common look and feel to popular features**, including Yahoo! Music services, Yahoo! Photos, SBC Yahoo! Parental Controls and remote access across devices. Content, like photos and music, resides in one place and is shared easily among multiple devices.

continue.

Let There Be Light

"Marketing has taken on a whole new light at SBC, and we need it" with Project Lightspeed, says McCorcle.

The main driver of Project Lightspeed, of course, is to give SBC the bandwidth to deliver new video services — along with voice and data

In October, SBC for the first time put out a catalog featuring all its services. The catalog was mailed to customers in the fall and is available online. "In the future we'll do more catalogs and FSIs (free-standing inserts in newspapers) versus direct mail," says McCorcle.

On a larger scale, SBC for the 2004 Olympics sponsored NBC's broadcast of the games in August and the network's Olympics Web site. The telco also held SBC Yahoo! DSL photo contests with local NBC affiliates, and SBC Yahoo! DSL sports fans could access live streaming video and various Olympic events.

SBC also is playing sports on a smaller scale. During SBC's College Football Tour during football weekends, the SBC College Football Tour 53-foot trailer travels to 10 college campuses, demonstrating services such as SBC Yahoo! DSL and online gaming with Xbox Live (in some cases featuring the local football team), SBC|DISH Network and Wi-Fi service.

SBC also is trying to appeal to the college crowd through a blog-based network of content and services called Project D.U. It presents more than 20 original content Web sites that discuss entertainment, music, fashion and sports.

This past summer, SBC visited more than 150 community and state events with an interactive mobile display as part of the company's Be Connected Tour. Live, interactive product demonstrations included SBC Yahoo! DSL Internet services with Xbox Live, digital photo services and downloadable music and movie trailers, as well as SBC|DISH Network programming, including digital video recorders, HDTV programming and music stations.

Music festivals are another target for SBC. The company recently sponsored a concert series in multiple cities aimed at the Hispanic market. For a separate concert, called the Clapton Crossroads Event, SBC Yahoo! DSL members had exclusive online viewing privileges of performances by Eric Clapton, James Taylor, B.B. King and others. SBC says its involvement on the concert circuit will

what's in store

Here is an inventory of the various ingredients in the SBC pantry that the company can use to create new service offerings.

- 50 million access lines in service
- Nation's No. 1 provider of DSL service, with more than 5 million DSL lines in service
- A leading Wi-Fi service provider, with more than 5,000 hotspots available to customers including at Avis airport locations, Barnes & Noble, McDonald's, and The UPS Store
- Nation's second largest long-distance provider
- Offers business VoIP services and readying consumer VoIP

services — that eclipse those already available from the cable companies.

SBC last year announced plans to be the first U.S. telco to use Microsoft's IPTV platform. LeeAnn Champion, senior executive vice president of IP services at SBC, says IPTV will provide the telco with four simultaneous video streams per home and the ability to present HDTV programming. It also will allow every room in the house to be PVR-equipped, enable instant channel changing and bring about the convergence of voice, video and data.

Champion demonstrated at CES how a Motorola cell phone could program a home PVR, and she even previewed a video clip on the cell phone. This service, though not yet available, is on the SBC roadmap. But this intersection of wireline-based entertainment with a mobile phone is a prime example of the integration message at the core of the U-verse campaign.

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- 46 million wireless customers through 60 percent ownership of Cingular Wireless, which is now the largest digital voice and data network in America, serving nearly one-third of all Americans with wireless phones
- Partnerships with EchoStar's DISH for direct broadband satellite TV services; with Microsoft on IPTV and Xbox Live; with Yahoo! for SBC Yahoo! DSL service; and with 2Wire Inc. for a new hybrid DSL/DBS service
- Assets of AT&T, if that deal closes

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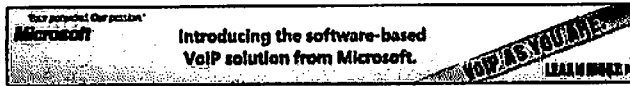
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Napster Offers Prepaid Tunes



In November, Napster LLC, a division of Roxio Inc., released millions of prepaid cards for the digital music service in nearly 14,000 retail outlets. The Napster Card offers 15 downloads for \$14.85, and is sold at national and regional retailers including Best Buy, CompUSA, Kroger, Safeway, RiteAid, ExxonMobil, Duane Reade, Diamond Shamrock and Speedway/SuperAmerica. Featuring the familiar Napster kittyhead logo, the plastic card closely resembles a credit card. A scratch-off surface conceals a PIN recipients use to activate 15 credits for permanent downloads from the Napster service.

As always, music lovers are welcome to enjoy other Napster features free-of-charge, including: 30-second music clips, on-demand music videos, decades of interactive Billboard charts, community features and the online music magazine Fuzz.

Sprint Launches Mexico-Focused Calling Card, Donates to La Raza

Sprint Corp. has launched a prepaid calling card designed specifically for people who want to keep in touch with loved ones in Mexico. The cards have global calling capabilities and offer an 8 cents-per-minute rate throughout Mexico, with a flat connection fee of \$1.69 per call. Consumers can choose from \$5, \$10 and \$20 denominations, and the rates do not vary by denomination.

Also, there are no weekly or monthly fees, and Sprint does not limit call length or use multiple-minute rounding, it says. All information and instructions are provided in both Spanish and English.

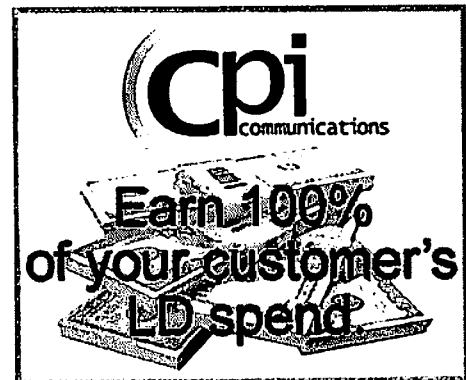
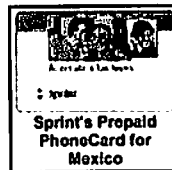
The cards are available at participating CVS, Radio Shack and Kmart stores.

The launch of the new Sprint Prepaid PhoneCard for calling Mexico gives Sprint the opportunity to offer Hispanic consumers a simple and straightforward way to stay close to their loved ones in Mexico, says Sprint's David Thomas, chief diversity officer.

In conjunction with the launch, Sprint is donating more than 250,000 minutes to the National Council of La Raza (NCLR). The donation will be distributed to local not-for-profit organizations that help accclimate Mexican immigrants to the United States.

Sprint continues to be a generous supporter of NCLR, says Raul Yzaguirre, NCLR's president. Giving the minutes to local organizations that work directly with new immigrants will have the greatest impact.

For new immigrants, staying connected to their loved ones back home is vital, says Thomas. Sprint is proud to support NCLR in its efforts to help those who are new to our country.



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Encompass Introduces SBC Card

Encompass Communications introduces three SBC-branded prepaid phone cards. The cards are available at 4.9 cents per minute and 6.9 cents per minute with no connect fee, and 1.9 cents per minute with a 49-cent connect fee. Available in \$5, \$10 and \$20 denominations, the cards offer name brand recognition nationwide for distributors and retailers. These products will be sold along with Encompass line of phone cards.

BancorpSouth Debuts Prepaid MasterCard

BancorpSouth has selected PULSE Access, PULSE EFT Association's stored value card solution, to introduce the BancorpSouth Prepaid MasterCard Gift Card to the consumer market. With PULSE Access, the bank is able to offer its own gift card program, allowing customers to choose from a selection of personalized messages and designs to be embossed on the bottom of the card. BancorpSouth says it is offering the gift cards at its 250 locations and its Web site with no loading or shipping and handling fees. The card can be used anywhere MasterCard debit cards are accepted. Card balance and transaction history are tracked simply by accessing BancorpSouth's Web site.



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Pac Bell dials wrong number in pre-paid calling card case - Law - Brief Article

Los Angeles Business Journal, July 7, 2003 by Amanda Bronstad

HERE'S a phone call one local business chose not to accept.

A now-defunct provider of pre-paid calling card machines at Los Angeles International Airport won \$4.6 million in damages last month in a lawsuit against Pacific Bell Telephone Co., now SBC Communications Inc.

The judgment, entered June 18 in L.A. Superior Court, claims that SBC breached a written agreement with Tel-Rom Inc. of Woodland Hills. In its suit, Tel-Rom claims that in August 1999, SBC abruptly cancelled the agreement only days before receiving the five-year contract.

"That was by telephone call," said Michael McCann, a partner at Cappello & McCann LLC in Santa Barbara, representing the shareholders of Tel-Rom. "There was also a one-line letter saying, 'We're not going to use you.' They didn't give us a reason."

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Instead, SBC hired another subcontractor, Kellee Communications Group Inc. of L.A., to handle the contract to provide prepaid calling card services at LAX and Ontario International Airport. Tel-Rom claims Kellee conspired with SBC to win the contract when it withdrew as the subcontractor for AT&T Corp., which was a competing bidder.

As a result, McCann said, AT&T did not have time to renegotiate with a different subcontractor and lost the bid.

In addition, Tel-Rom claims SBC reneged on a separate agreement to provide prepaid calling card services and machines at San Francisco International Airport, McCann said.

Tel-Rom could not install enough machines to pay for commission revenue that went to SBC under its contract, the ruling says.

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Tel-Rom, a subsidiary of Woodland Hills-based Star Telecom Network Inc., went out of business in January 2002, McCann said.

Spokesman John Britton said SBC will appeal the verdict.

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Government Contracts Rigged?

Los Angeles, CA, June 11, 2003 (The Digest) - A jury awarded Tel-Rom, Inc., a provider of telephone calling cards, \$4.6 million in a dispute with Pacific Bell involving telephone concession rights at Los Angeles International Airport (LAX), Ontario International Airport (ONT), San Francisco International Airport (SFO) and in the City of San Francisco. The jury rendered its verdict on June 2, 2003 in Los Angeles Superior Court (Case No. BC 252881) after a 4-week trial.

Tel-Rom, based in Encino, was previously subcontracted in 1995 by AT&T to provide pre-paid telephone calling card services at LAX and ONT. The entire telephone concession was contracted through Los Angeles World Airports (LAWA), which operates the two airports. When the contract was nearing renewal in 1999, a new request for proposals (RFP) was issued by LAWA. At the time, Pacific Bell informed Tel-Rom that it would respond to the RFP as the prime contractor and asked Tel-Rom to act as its calling card subcontractor as it did with AT&T.

On August 20, 1999, the two companies entered into a written contract stating that Tel-Rom would be Pacific Bell's subcontractor and would provide pre-paid calling card telephone machines at LAX and ONT and pay a commission of 50 percent of the gross revenues if Pacific Bell won the bidding for the prime contract. AT&T subsidiary, TCG Public Communications, had agreed to use Kellee Communications Group (one of Tel-Rom's competitors) to be its calling card subcontractor for the LAWA RFP in the bidding competition against Pacific Bell for the prime contract.

Meanwhile, after August 20, Pacific Bell entered into a clandestine arrangement with Kellee Communications Group which the evidence at trial suggested was for the purpose of eliminating TCG's ability to bid against Pacific Bell for the prime contract at LAX. The plot involved Kellee dropping out as TCG's main subcontractor at the last minute, making it impossible for TCG to bid against Pacific Bell for the prime contract. In exchange, Pacific Bell agreed to cancel its contract with Tel-Rom and instead give the lucrative (gross of \$2.6 million annually) prepaid calling card concession at LAX to Kellee. On August

31, 1999 Pacific Bell cancelled its August 20 contract with Tel-Rom. TCG dropped out of the bidding, and Pacific Bell, the only bidder for the LAX prime contract, won the bid.

Also in the summer of 1999, Tel-Rom entered into a contract with Pacific Bell for the pre-paid calling card concession at San Francisco International Airport (SFO), which also included a mandatory requirement to provide pre-paid calling card machines in various locations throughout the City of San Francisco to be determined at a later date and coordinated between Pacific Bell, the city and Tel-Rom. As part of its subcontract with Pacific Bell, Tel-Rom was promised a minimum of 50 machines to be placed in the airport and 100 or more machines to be placed at prime tourist locations throughout the city. Pacific Bell's prime contract with San Francisco also required large Minimum Annual Guarantee (MAG) commission payments from Pacific Bell's subcontractors prior to the installation of any utilities and before any revenues could be generated therefrom.

Due to delays in construction of the San Francisco Airport and mishandling of the city machine location assignments, Tel-Rom was only permitted to install 40 machines at the airport and only ten machines in non-tourist areas in the city during the first 18 months of its subcontract with Pacific Bell. Tel-Rom suffered large economic losses due to these delays and breaches and was forced by Pacific Bell to remove its machines from the assigned locations when Tel-Rom requested adjustments to its MAG payments to reflect the lack of installed machines.

The jury found that Pacific Bell breached its August 20, 1999 contract with Tel-Rom and awarded Tel-Rom \$1,379,463 in damages. It also found that Pacific Bell breached its SFO contract with Tel-Rom and awarded Tel-Rom \$2,309,896 in damages. It also found that Pacific Bell breached its contract with Tel-Rom to sell pre-paid calling cards in San Francisco and awarded Tel-Rom \$939,699. The total damages were \$4,629,058. Pacific Bell had filed a cross complaint and was awarded nothing.

"The evidence in this case revealed very troubling facts about how Pacific Bell and Kellee Communications Group appear to have been collaborating over the years to manipulate bidding on public telecommunications contracts at some of the airports around the United States," says Michael McCann, partner in the Santa Barbara law firm of Cappello & McCann and attorney for Tel-Rom. "Kellee Communications Group has friends in high places at Pacific Bell (now SBC) that have enabled it to gain favors at the expense of competitors. These contracts fall under federal Department of Transportation jurisdiction. It is time the federal government and local public utility agencies investigate what has been going on between SBC and Kellee Communications Group so that other companies are not victimized like Tel-Rom."

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SBC Pioneers to Honor "National Salute to Hospitalized Veterans Week" with VFW Calling Card Distribution to Veteran's Hospitals Nationwide

SBC Pioneers Volunteer Group to Visit Hospitalized Veterans During Week of Feb. 11 as Part of SBC's \$250,000 Donation to the Veterans of Foreign Wars' Operation Uplink Program

San Antonio, Texas, February 14, 2002

To show its continued support for members of the armed services, SBC Pioneers -- SBC Communications' army of employee and retiree volunteers -- is teaming up with members of the Veterans of Foreign Wars (VFW) to commemorate "National Salute to Hospitalized Veterans Week" by distributing **Operation Uplink** calling cards at veterans hospitals nationwide.

The SBC Pioneers, 195,000 strong, will be distributing a total of 8,000 prepaid calling cards at more than 35 local veteran's medical centers throughout SBC's 13-state territory during the week of Feb. 11 to help veterans stay connected to their family and friends. SBC Pioneers also will bring donations collected from company employees to veterans. In addition, SBC Pioneers also will deliver Valentine's Day cards to veterans at some events held on Feb. 14.

The SBC Pioneers are visiting local veteran's hospitals as part of SBC's continued support to members of the armed forces. The calling card distribution is made possible through SBC's recent donation of \$250,000 to the VFW's **Operation Uplink** program, announced in December 2001 - the largest donation ever to support the program. **Operation Uplink** has provided more than 15 million free calling minutes since it began in 1996 to hospitalized veterans and active-duty military personnel to help them communicate with friends and family.

"The SBC Pioneers are proud to be a part of SBC's efforts to support the men and women of the armed forces and to honor our nation's veterans," said Randy Chard, vice president of the SBC Pioneers. "The Pioneers are committed to serving our communities and, along with the VFW, we want to make it easier for our hospitalized veterans to stay in touch with their loved ones."

"On behalf of our troops and veterans, we thank SBC for their continued support and dedication that has made possible that thousands of veterans receive a calling card this week," said James N. Goldsmith, commander in chief of the VFW. The 10-minute prepaid calling cards are good through 2002.

In addition to the cards being distributed to veterans, through SBC's donation to **Operation Uplink**, the VFW also is distributing cards to troops serving duty in conjunction with Operation Enduring Freedom by allowing residents in any of SBC's 13 operating states to sign up to send a card to a loved one by visiting www.sbc.com. Those requesting cards must provide a home or work address from one of SBC's 13 operating states, as well as the military address of the intended recipient, in order to participate in this program. Participants also have the option to write a personal note that will be sent by the VFW along with the card. The cards are available on a first-come, first-served basis. Interested participants may also call the VFW at 1-800-479-5228.

The VFW's calling cards can be used by service men and women from phones anywhere in the world, including aboard military ships. Anyone can donate to the VFW's **Operation Uplink** program at anytime. Program information and a link to the VFW's sign-up site are available at www.sbc.com.

SBC Communications Inc. (www.sbc.com) is one of the world's leading data, voice and Internet services providers. Through its world-class network and its subsidiaries' trusted brands - SBC Southwestern Bell, SBC Ameritech, SBC Pacific Bell, SBC Nevada Bell, SBC SNET and Sterling Commerce - SBC companies provide a full range of voice, data, networking and e-business services, as well as directory advertising and publishing. A Fortune 15 company, America's leading provider of DSL high-speed Internet service, and one of the nation's leading Internet Service Providers, SBC companies currently serve more than 60 million access lines nationwide. In addition, SBC owns 60 percent of America's second largest wireless company -- Cingular Wireless -- which serves more than 21 million wireless customers. Internationally, SBC has telecommunications investments in 28 countries.

The **SBC Pioneers** consist of more than 195,000 employees and retirees who have pledged to "answer the call of those in need" in areas served by SBC Communications Inc. and its family of companies. Their primary focuses are education, social needs and the environment. In 2001, SBC Pioneers volunteered some seven million hours of community service, valued at more than \$115 million in sweat equity.

The **Veterans of Foreign Wars** (www.vfw.com) is the oldest major veterans' group in the U.S. and counts nearly 2 million war veterans as members. The VFW was founded in 1899 in Columbus, Ohio, following the Spanish-American War. Formed of two separate organizations representing veterans of Cuba and the Philippines, the VFW has since become the foremost veterans' lobbyist group in the nation. In addition to protecting veterans' rights, the VFW and its Ladies Auxiliary provide services to military personnel overseas through **Operation Uplink**, provides \$2.7 million in scholarships through its Voice of Democracy program, and each year contributes 16 million hours of community service through the efforts of its members. The VFW is based in Kansas City, MO., and has legislative offices in Washington, D.C.



SBC Offers "Welcome Home" Telephone Relief for Military Personnel Who Serve During Operation Enduring Freedom

San Antonio, Texas, January 2, 2002

As a "welcome home" gesture for the armed forces, SBC today announced that starting immediately, SBC's telephone companies will offer military personnel who are supporting Operation Enduring Freedom or Noble Eagle the option to reconnect their phone service for free across all of the company's SBC Southwestern Bell, SBC SNET, SBC Pacific Bell, SBC Nevada Bell and SBC Ameritech regions.

This waiver applies to military personnel who disconnect their residential telephone service or calling services such as Caller ID, Call Waiting, and Privacy Manager while serving duty in Operation Enduring Freedom.

SBC encourages military personnel upon their return to contact their SBC telephone company customer service representatives for further details or to apply for this waiver. Through this effort, SBC joins other organizations that provide financial assistance to military families, including mortgage and credit card relief.

In addition, this gesture is part of SBC's ongoing support of the armed forces. Recently, the company announced that it has made a \$250,000 monetary donation to the Veterans of Foreign Wars. The VFW, through its Operation Uplink program, will use the funds to provide prepaid calling cards to connect more than 30,000 current and former service members with their families who live in SBC's 13-state service area.

Information about the calling card program and a link to the VFW's online sign-up site is available by visiting (www.sbc.com)

SBC Communications Inc. (www.sbc.com) is a global communications leader. Through its subsidiaries' trusted brands - **Southwestern Bell, Ameritech, Pacific Bell, Nevada Bell, SNET and Sterling Commerce** - and world-class network, SBC and its affiliated companies provide a full range of voice, data, networking and e-business services, including local and long-distance voice, high-speed Internet access and data transport, voice and data network integration, software and process integration, Web site and application hosting, e-marketplace development, paging and messaging, as well as cable and satellite television, and directory advertising and publishing. In the United States, the company currently has 61.3 million access lines and is undertaking a national expansion program under **SBC Telecom** that will bring SBC service to new U.S. markets. SBC has a 60 percent equity interest in **Cingular Wireless**, its joint venture with BellSouth, which serves more than 20 million wireless customers. Internationally, SBC has telecommunications investments in 28 countries and has annual revenues that rank it among the largest Fortune 500 companies.

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